



State of Washington

AFFORDABLE HOUSING ADVISORY BOARD

1011 Plum Street SE - PO Box 42525 - Olympia, Washington 98504-2525 - (360) 725-4000

Heyward Watson
Board Chair

Sam Anderson
Residential Construction Industry

Michael Richart
Residential Construction Industry

Christine Walsh Rogers
Mortgage Lending Industry

Lynette Hoffman
Mortgage Lending Industry

Wanda Coats
Real Estate Sales Profession

Connie Devaney
Apartment Management & Operation Industry

Paul Purcell
For-Profit Housing Development

Kevin Grossman
For-Profit Rental Housing

Tony To
Non-Profit Housing Development

Chris Lowell
Homeless Shelter Operations

Shaw Seaman
Special Needs Populations

Joe Ingram
Low Income Housing

Vacant
At-Large/General Public

Tom Tierney
Public Housing Authorities

Obie O'Brien
Counties, Eastern WA

Hon. David Gossett
Counties, Western WA

Mike Adolfae
Cities, Eastern WA

Hon. Joan Hernandez
Cities, Western WA

Toni Johnson on behalf of Christine Olson
Ex-Officio, Dept. of Social & Human Services

Kim Herman
Ex-Officio, Housing Finance Commission

Dan McConnon
Ex-Officio, Dept. of Commerce

BOARD MEETING SUMMARY

Monday, August 15, 2011 10am to 1pm
Federal Way City Hall – Federal Way, WA

ATTENDANCE

Heyward Watson, Dan McConnon, Kevin Grossman, Mike Richart, Christine Walsh Rogers, Shaw Seaman, Connie Devaney, Tony To, Chris Lowell, Wanda Coats, Mike Adolfae, and Paul Purcell.

STAFF

Ken Olson and Cherish Rahikainen.

GUESTS

Alison Mendiola, Staff Coordinator and Counsel to the Senate Financial Institutions, Housing and Insurance Committee and David Clifton, WSHFC Acting Director of Capital Projects.

INTRODUCTIONS AND CONFIRMATION OF AGENDA

Heyward Watson

Heyward summarized the agenda and introduced our newest AHAB member, Shaw Seaman.

Shaw has worked for DSHS in the division of Developmental Disabilities for the past 15 years. He is a program manager for residential services as well as the liaison for affordable housing for individuals with developmental disabilities. Before his career with DSHS, he worked as a direct service provider. He looks forward to supporting AHAB as the representative for Washington's special needs population.

APPROVAL OF MINUTES

The May 2011 meeting summary was approved.

REPORT FROM THE CHAIR

Heyward thanked the Board for their dedication and day-to-day efforts in regards to affordable housing.

COMMERCE UPDATE

Dan McConnon provided the Board with a Commerce update.

- Staff Updates
 - Cherish Rahikainen was recently promoted to a higher-level administrative assistant within the Community Services and Housing Division (CSHD). She will now provide direct support to Dan and focus her time on managing his schedule, prioritizing CSHD's assignments, tracking deadlines, and



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- providing support to the division's management team.
- The search for the Housing Trust Fund Managing Director is still underway but we're nearing the end of the process. Dan will present his recommendation to Director Rogers Weed next week and we hope to have an announcement out in the coming weeks.
- Program Updates
 - *Housing and Essential Needs (HEN)*
 - First milestone in legislation was to have an allocation done by September 1st. We are ready to release that shortly. Distribution is based on DSHS's existing strategy. Counties will decide what best suits their community's needs.
 - Officially takes over Disability Lifeline on October 1st. Expecting a smooth transition.
 - Most data (95%) will pull from the Homeless Management Information System (HMIS).
 - *Foreclosure Fairness Act (FFA)*
 - Program is in full swing.
 - Dan has participated in a special media news story, which should air within the next two weeks.
 - 1st quarter receipts were just under \$2M. 2nd quarter is on track (due July 31st) to see about the same amount. 80% of this money goes to fund counselors through WSHFC. Remaining 20% goes to the Attorney General's for consumer protection, the Department of Financial Institutions for public information and a very small amount that goes to the Office of Civil Legal Aide and the remainder goes to the Department to help manage the program.
 - *Developmental Disabilities Council (DDC)*
 - The federal government has determined a conflict of interest was created when the state moved the DDC to the Department of Health in 2009. The Council will return to Commerce's CSHD.
- Budget Updates
 - Revenue forecast does not look encouraging.
 - Agencies have been asked by the Governor to participate in two budget reduction exercises. One at a 5% cut, another at 10%. Although this is a drill as this point, past exercises have proven to be reality. If Commerce were to take a 10% cut, it would mean - \$12M/biennium with \$9M of that coming out of community service and housing programs.
 - Plan is due to the Governor's Office within three weeks.
 - The Department recommends eliminating a couple of small programs.
 - The HEN program has the majority of General Fund State dollars in the division. After spending time with contractors, they may have come up with a solution on using Admin dollars (\$4M) to make up the difference. This money was unused administration funding that was to be redirected to performance incentives. .
 - Effects of the larger federal budget are minimal at this point.



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- March 2012 marks the end of all American Recovery and Reinvention Act (ARRA) funds in CSHD.
- Legislative
 - *Potential Legislative Agenda*
 - Looking at HTF capital request for \$100M due to caseload increase because of high demand.
 - Home Security Fund is still alive in the House. This provides an assessment on filings to provide money for homeless programs. Designed to lengthen the sunset and increase the surcharge by \$10. The House has already begun to work on a strategy to resurrect it and get the Governor on board from the beginning of session.
 - HTF Administrative bill almost made it last session but died in the Senate. Language from the bill was inserted in the budget, but Commerce will be bringing the bill back to get re-confirmation from the Governor's Office.
 - Working with other stakeholders on a handful of small, technical fixes to the Foreclosure Act.

LEGISLATIVE COMMITTEE UPDATE

- Interest groups (alliances, home builders, homeless coalitions, cities and counties) are beginning to put together their legislative requests. As those are developed, please send them to [Paul Purcell](#) and [Ken Olson](#).

WASHINGTON WORKS UPDATE

- David Clifton attended on behalf of Kim Herman.
- The Washington Works program has wrapped up but is still maintained by the WSHFC. With \$25M, the program was able to fund ten new affordable housing projects and complete three rehabilitations. Projects were built evenly throughout the State. [Click here](#) to see project details.
- This one-time stimulus was made possible by the eight non-profits and two housing authorities that joined the efforts.

SURVEY RESULTS & NEXT STEPS

- Christine Walsh Rogers and Ken Olson shared survey results for Round 1 of prioritizing AHAB's goals and strategies. [Click here](#) to see results.
- Round 2 will be coming out shortly. Please feel free to pass it on to staff, key constituents and other interested parties.

ANNUAL REPORT STATUS

- At our May 26th meeting, the Board passed and adopted the 2010 Annual Progress Report. It was submitted to OFM shortly after; however, OFM came back with questions. Commerce is in the process of answering these.
- This is simply clarification, no major changes to the report.



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SEPTEMBER HOUSING REPORT

- The Department has a practice of sending policy memos to the Governor on a regular basis because we are so broad in terms of focus areas in the agency. Housing issues/awareness is the focus in our September report.
- Ken is working with a number of staff members to collect data and share where we've been, our accomplishments, and the direction we want to head in the future. AHAB's priorities will be a component
- Cherish will provide the Board with a copy of the final.

SUBCOMMITTEE REPORTS

PAT - Policy Advisory Team

- Participated in decision making for the HTF allocation of \$50M. Staff did a great job of pulling together the application process.
- Next meeting is in December.

SACH - State Advisory Council on Homelessness

- At their last meeting, SACH discussed in detail the Housing and Essential Needs program. This could become a national model. The Council sends their acknowledgement to Tedd Kelleher and Kathy Kinard for the outstanding policy work, system design work and technical assistance they've provided to counties/cities.
- Consolidated Homeless Grant changes begin January 2012.
- Will share AHAB's 2nd round survey with the Council.

OTHER GENERAL REPORTS

- None.

ROUNDTABLE DISCUSSION

- Mike Adolfae recommends that AHAB send a letter to our federal constituents asking for their support in Washington's CDBG program. Heyward, Dan, Mike and Ken will work together.
- Chris Lowell is interested in looking into the barriers of providers directly owning/operating foreclosed homes for developmentally disabled clients. Right now, the law prohibits them from doing so and requires they go through a third party. Shaw Seaman may be able to provide insight.
- Weatherization prevailing wage issues have not been solved. Mike Richart continues to work with the Department of Labor and Industries.

Future items:

- *Phase II Survey Results*

MEETING ADJOURNED 12:30PM

**Next Meeting: November 10, 2011 10:30am-1:30pm at the Federal Way Library
(Conference Room #1) 34200 1st Way S., Federal Way, WA 98003**